

REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF LEON VALLEY, TEXAS, APRIL 23, 2007 AT 7:00 P.M.

The City Council of the City of Leon Valley, Texas, met for a Regular City Council Meeting, rescheduled from the 17th day of April 2007 to the 23rd day of April 2007 at 7:00 p.m., at the Leon Valley City Council Chambers, at 6400 El Verde Road, Leon Valley, Texas, for the purpose of the following business, to-wit:

Call to order and Pledge of Allegiance.

Mayor Riley called the meeting to order and asked that the minutes reflect that the following members of Council were present: Maloy, Reyna, Dean and Rangel.

City Manager Lambert, City Secretary Feutz, Fire Chief Irwin, Police Chief Wallace, City Accountant Wallace, City Engineer Wright, Public Works Director Vick, Assistant Public Works Director Stolz, Community Development Director Smith, and Economic Development Director Caldera were also present.

Mayor Riley asked Susan Schopp, of the Neighborhood News, to lead the Pledge of Allegiance.

Consider approval of minutes of the City Council Meeting of April 3, 2007.

A motion was made by Councilman Reyna, seconded by Councilmember Maloy, to approve the minutes from the City Council Meeting of April 3, 2007 as presented. Upon a unanimous vote, the motion carried.

Citizens to be heard and time for objections to the Consent Agenda.

Mayor Riley asked Council if they wished for any item to be removed from the Consent Agenda for further discussion. Councilmember Maloy asked that item number four (4) be removed and Councilmember Rangel asked that item number eight (8) be removed for further discussion.

Mayor Riley then asked if anyone in the audience wished to address the Council; seeing no one, she called for a motion on Consent Agenda items numbered 5, 6, and 7.

Consent Agenda

Consider M&C # 04-06-07 - Request to waive penalty and interest on tax account in the amount of \$179.79 (V. Wallace).

Consider M&C # 04-07-07 - Request by MW Cude Engineers for Preliminary Acceptance of Public Improvements of the Ridge at Leon Valley Unit #2, being Lots 33-52, Block 8; Lots 9-20, Block 10; Lots 17-33, Block 11; Lots 1-34, Block 12; and Lots 1-17, Block 13, CB 4429, The Ridge at Leon Valley Unit #2 (Smith).

Consider Quarterly Investment Report (V.Wallace).

A motion was made by Councilman Reyna, seconded by Councilmember Dean, to approve Consent Agenda items numbered 5, 6, and 7 (as listed above). Upon a unanimous vote, the motion carried.

Regular Agenda

Consider Ordinance appointing a member to the Business Alliance Committee (Mayor Riley).

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Councilmember Maloy asked for clarification how the nominee for the Business Alliance Committee connected to the City of Leon Valley. Mayor Riley explained that Ms. Montemayor was the manager of the Leon Valley Lacks Furniture store and had been suggested for appointment by resident Hubert Lange.

A motion was made by Councilman Reyna, seconded by Councilmember Maloy, to approve the ordinance appointing Elizabeth Montemayor as a member of the Business Alliance Committee. Upon unanimous vote, the motion carried.

Consider M&C # 04-08-07 - Request for Change Order #2 - CDBG Bandera Road Sidewalk Project (Wright).

City Engineer Wright explained that the Texas Department of Transportation (TXDOT) had notified the City that the type of sidewalk handrails specified for the proposed sidewalk ramp for the Bandera Road Sidewalk Project must be a Type F handrail. Mr. Wright further stated that the project specifications had been discussed with TXDOT officials prior to letting the bid, but at that time, there had not been any indication from TXDOT that the handrails included in the specifications were not acceptable. Mr. Wright stated that the City was notified after the bid was awarded and that a change order in the amount of \$3,490 was needed to allow for the installation of the Type F handrails as specified by the permit from TXDOT and that the change order would extend the contract time by approximately 36 calendar days. Mr. Wright also stated that the City's project engineer, Raul Garcia, was also in the audience if Council had any questions.

Councilmember Rangel asked about the higher price of the handrail and Mr. Wright and Mr. Garcia explained that the rail's curvature, number of pipes for the rails, and the type of handrails were more expensive and were similar to handrails on Wurzbach Road. Councilmembers expressed their concerns about the change ordered by TXDOT after TXDOT had reviewed the project specifications presented by the City and prior to the bid being let.

A motion was made by Councilmember Rangel, seconded by Councilmember Maloy to approve the Change Order #2 as requested. Upon vote, the motion carried.

Consider Public Hearing to consider Replat Case #07-105 with an attached variance request - a request by Slay Engineering, agent for Maxey Family Limited Partnership (Dickey's BBQ), applicant and property owner, to replat the property at 7249 Bandera Road, approximately 2.06 acres of land, being Lot 38, to new Lots 39 and 40, Block B, CB 4446A, Linkwood Addition Subdivision (Smith).

Community Development Director Smith presented case details for Replat Case # 07-105, a request by Slay Engineering, agent for the Maxey Family Limited Partnership (Dickey's BBQ), applicant and property owner, to replat 2.06 acres of land being Lot 38 to two (2) new lots, Lot 39 (1.17 acres) and Lot 40 (0.89 acres) at 7247 and 7249 Bandera Road. Ms. Smith stated that the use had received a Specific Use Permit after City Council's approval in December 2006. Ms. Smith reviewed the Master Plan guidance for the property and presented the requested variance to defer sidewalk construction to the building phase of the project. She stated that there were no outstanding items on the case and that of ten letters notifying surrounding property owners, no letters were received in favor of nor in opposition to the case, but one letter was returned undeliverable.

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Terry Maxey, the applicant, addressed Council, stating that this location will be the first in the San Antonio area, but that the Dickey's BBQ has been in business since 1941 and has locations in Canada, the East Coast and in the Dallas area.

Mayor Riley opened the public hearing and invited anyone from the audience to speak on the case at 7:16 p.m. Seeing no one, at 7:17 p.m., Mayor Riley announced that she was closing the public hearing and asked for a motion from the Council.

A motion was made by Councilman Reyna, seconded by Councilmember Dean, to approve Replat Case # 07-105 with the requested variance as presented. Upon unanimous vote, the motion carried.

Presentation of Annual Report by the Historical Society of Leon Valley (D. Riley).

Historical Society of Leon Valley President Darby Riley, and Society member, Al Uvietta, presented information to the Council with slides picturing conditions of the property being leased from the City as a natural area. Mr. Riley stated that signage in the area had been added ("No pets, fires or hunting") as recommended by the City. He presented information on the flora and fauna on the property and reported on vandalism over the last year in the natural area. Mr. Riley described how the Native Plant Society of Texas, Bandera Chapter, had added the natural area to their publication, "Destinations and Detours, Native Plants in and around San Antonio". He described the goals for the property for tours to identify trail native shrubs and trees and their plans to seek grant funding to help with expenses. Mr. Riley informed Council that the Society wanted to work with the neighboring residents to promote a good neighbor relationship and to help cut down on dumping, and other illegal activities.

In answer to Council inquiries, Mr. Riley stated that he was working with the Fire Chief and the Texas Forest Service on the fire break between residential fences and structures and scrub brush and clippings on the property of 10' - 13' wide and a natural privacy barrier. Mr. Riley stated that a resident and member of the Society has been performing the maintenance of the property. He also stated that the Society had cleared a 5' of low brush and 10' of trees to chest high from the fences.

Councilmembers congratulated the Historical Society for their work on the natural area.

Presentation on progress of the Trade and Market Days Committee (Chair Lange).

Trade and Market Days Committee Chair Nita Lange addressed Council stating that the first Trade and Market Day for 2007 had been held on April 14, 2007. Ms. Lange summarized results from that event by reporting on shoppers survey results, zip code information identifying where their shoppers were coming from, advertising strategies being used by the Committee to promote the events, and responses from the vendors to the program. She publically praised the Committee's volunteers, employees: Elsa Dominguez, Sylvia Gomez, and Crystal Caldera, and also thanked Councilmember Rangel for his support. Ms. Lange noted that the windy and cold weather on April 14th and the competition from various other area events did affect the event's attendance, but she described a new program that she is working on with the Library Director which would allow for some children's activities at the Library during the hours of the Trade and Market's Days.

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Economic Development Director Caldera presented an overview of the budget for the program stating that the program had \$26,000 budgeted for FY 2007 and must generate \$2,888.89 monthly to break even; she reported a shortfall of \$21.39 for the April event. Ms. Caldera reported that the program must generate \$14,282.90 for the rest of the fiscal year and has \$16,065 left for expenditures for FY 2007.

Mayor Riley and members of City Council asked for an itemization of the expenditures and income for the program and about the sales tax generated over the last year from the Trade and Market Days Program. Ms. Caldera explained that the Comptroller's Office cannot release sales tax figures for any business, as it is privileged information. Ms. Caldera explained the City can only determine how much sales tax the program is generating if the City collects the sales tax from each vendor. Councilmember Dean asked that a monthly revenue and expense report be readied for Council and Councilmember Maloy also asked that a comparison be given to Council on the monthly revenue and expense report as compared to the previous year's statistics.

Consider M&C # 04-09-07 - Policy change for fees charged to non-profit groups for use of the Community and Conference Centers (Councilmember Maloy).

Mayor Riley reminded Council that this item was presented to Council previously as a discussion item at the request of Councilmember Maloy. City Manager Lambert addressed Council stating that following Council discussion, Councilmember Maloy asked for clarification of City policy as to how the City addresses requests for rent-free use of the City centers and for possible rate provisions for a non-profit versus private lease of the facilities.

Economic Development Director Caldera presented a review of the proposed policy change information to City Council for fees charged to non-profit groups for the use of the Community and Conference Centers. Ms. Caldera presented an overview of the current policy and the types of requests for a waiver of fees associated with using the centers that are brought to staff and Council throughout the year. The proposed rates presented rates for residents versus non-residents and for private parties versus civic groups in renting the centers.

Councilmember Maloy stated that with the large number of non-profit groups in the area, the potential for requests for free use of the facilities could be quite large and she expressed her concerns about the \$450,000 still owed on the Conference Center. She also expressed her concerns that the City was giving away public funds if the City was not getting a benefit or a quid pro quo benefit when the City waives fees for a group. She also stated that those events should be open to the public.

City Manager Lambert stated that the City has approved a waiver for fees for about two applicants per year over the last five years and most of those waivers could be attributable to a benefit to the City and open to the public.

Councilmembers commented on the complicated fee schedule and the need for flexibility for Council to vote for good causes to waive fees. Councilmember Reyna expressed his desire to have Council control any waiver of fees and to allow Council to determine if the proposed use of the facilities served a public purpose; his concerns about the constitutionality of charging separate rates for residents versus non-residents; and he stated that taxpayers were already paying taxes to support City facilities. He also noted that not all non-profit groups have an IRS

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501(c) 3 designation. He expressed his concerns about the need for a legal opinion about separate rates from the City Attorney.

Councilmembers expressed their feelings about allowing Council to continue to judiciously allow the use of the center when the City does receive benefit or for a public purpose and asked that the City Attorney review the questions about the legality of assigning separate rates for residents versus non-residents to lease the centers.

No motion was made on the subject and no vote was taken.

Consider M&C # 04-10-07 - Authorize the City Manager to enter into agreement with the San Antonio Water System (SAWS) and to secure funding for the acquisition of water rights (48.9 acre feet at \$5,000 per acre foot plus closing costs) (Stolz).

Assistant Director of Public Works Stolz addressed City Council providing an update on the water supply and demand issues of the City. He stated that the City has 1,482 acre-feet of water and an order for 300 acre-feet of water to be leased through RWRDG. He stated that the existing demand for water is 1,455 acre-feet but that the estimated demand by 2010 for water will be for an additional 293 acre-feet. Mr. Stolz reviewed the historical and projected demands for water for the City and provided an update on changes in the Edwards Aquifer Authority's drought management plan which will result in up to a 40% reduction in pumping if the area reaches a Stage IV drought management level. He informed Council that on January 1, 2008 there will be another mandatory pumping reduction for water in the area. Mr. Stolz reminded Council that in 2006, Council had approved the purchase of 618 acre-feet of water and the lease of 284 acre-feet of water rights. He stated that the San Antonio Water System has offered to sell 49.8 acre-feet of water at \$5,000 per acre-foot, which was significantly higher than the \$2,500 per acre-foot estimated for Council last Fall. Mr. Stolz presented options Council could consider to address the anticipated water shortage during drought times: lease water rights, purchase water rights, consider pursuing Trinity Aquifer drilling and water use; purchase bulk water wholesale from SAWS or sell the water system after approval from the residents in a city-wide election.

Council discussed the possibility of increased pumping rights following any new direction from the State legislators in the next 30 days, the option to drill into the Trinity Aquifer for an additional source of water, blending Trinity Aquifer water with Edwards Aquifer water during drought times, how the proposed purchase could be funded, concerns for increased cost of acre-feet of water if a decision to purchase is delayed, and how the proposed purchase would be funded and any named deadline to purchase the water offered by SAWS. Mr. Lambert explained that the money budgeted for a debt service payment for a bond could be used now and additional moneys would come from increased water rates.

A motion was made by Councilmember Maloy, seconded by Councilman Reyna, to authorize the City Manager to enter into agreement with the San Antonio Water System and to secure funding for the acquisition of water rights for 48.9 acre-feet at \$5,000 per acre foot plus closing costs. Upon unanimous vote, the motion carried.

Councilman Reyna asked that staff also evaluate the costs for another City of Leon Valley well.

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Discussion Agenda

Presentation and discussion of an option for production of the City's newsletter by Susan Schopp, agent for "Neighborhood News" newspaper.

Susan Schopp, owner of the business Neighborhood News addressed Council describing the role of the company in helping the City offer an 8-page, bi-monthly newsletter. She explained that the company has been in businesses for ten years and works with cities in Texas and about 90 neighborhood associations in the publication of their newsletters. Ms. Schopp stated that advertisements in the newsletters pay for the production of the newsletter and the City pays for the bulk rate postage for the mailing. Ms. Schopp stated that the minimum number of newsletters per year that the Neighborhood News would publish is six per year, which is only two more newsletters per year than the City of Leon Valley currently publishes. Ms. Schopp discussed with Council the types of advertising that would be allowed in the newsletter and stated that no more than 50% of each page would be dedicated to advertising. She also noted that a 10% discount is offered to Leon Valley businesses to encourage advertisements from Leon Valley.

After discussion on what advertisements would be allowed without payment for advertisements, Ms. Schopp stated that noncommercial classifieds to residents would be up to Council. Ms. Schopp stated that additional flyers would be an extra charge, the contract would be for one-year, and the number of pages is limited by the amount of advertising and number of articles with a minimum of eight pages planned for the City of Leon Valley's newsletter.

Community Development Director Smith stated that using the Neighborhood News to publish the newsletter, would save the City approximately \$1000 per issue, would offer communication more frequently to our citizens and that would improve the customer service image to our citizens.

Ms. Schopp indicated that she estimated that the first issue from her company for Leon Valley could be ready to publish in a mid-June issue. Staff was directed to bring contract information to Council at the next City Council Meeting.

Presentation and discussion on Leon Valley Intersection Safety Site Evaluation (Chief Wallace).

Police Chief Wallace addressed Council stating that following an earlier presentation on the subject, he was returning to present additional information for Council. Chief Wallace presented statistics about accidents and citations written over the last five fiscal years that were attributable to red light accidents along Bandera Road. He also presented information from a study performed by American Traffic Solutions on four intersections in the City which were monitored for eight hours over a 24-hour period at El Verde at Bandera, Grissom at Bandera, Huebner at Bandera, and Timco West at Bandera. Chief Wallace reported that the company's evaluation report indicated that they would consider monitoring the Grissom at Bandera and the Huebner at Bandera intersections.

Chief Wallace stated that of the mandated \$75 maximum fine, \$40 goes to the company and the balance is proposed to be split, after costs, between the City and the State of Texas. City Manager Lambert stated that he had calculated revenue to the City of approximately \$75,000

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per year, per intersection, which will go to the City's public safety fund, if the quoted statistics remained stable.

Councilmembers Dean and Reyna expressed their concerns about moving forward to implement a program using red light cameras to deter these traffic violations. Councilmembers agreed to continue to monitor what actions and direction will come from Austin on the subject.

Discussion on proposals for Economic Development Revitalization/Vision Plan (Caldera/Lambert).

City Manager Lambert addressed Council stating that the FY 2007 budget included \$50,000 for an economic development and revitalization plan for the City and that staff was bringing a progress report on the matter to Council.

Economic Development Director Caldera addressed Council presenting information on two proposals for an Economic Development Revitalization Plan for the City from T.I.P. Strategies and from CDS Spillette and she explained that she was awaiting a third proposal from another company. She stated that the quoted costs for the two proposals were approximately \$47,500 - \$55,000.

Discussion followed on the need for the revitalization plan to come from the grassroots up, the proposed plans using the entire budgeted amount for the plan, the need for citizen focus groups with any outside group used, and if the three companies would be willing to give a presentation to the Citizens Neighborhood Progress Committee once all three proposals were submitted.

City Manager's report (Lambert).

Monthly Financial Report - March 2007

City Manager Lambert presented an overview of the March 2007 revenue and expenditures for both the General Fund and the Enterprise Fund. He noted that the sales tax on CPS Energy bills was not reflected yet in the revenue reports. Mr. Lambert also noted that the revenue from fines and permits was lower than a year ago. He informed Council that the actions he ordered a month ago are continuing - a three-month hiring freeze on any position that becomes vacant and a freeze on \$200,000 for street maintenance projects.

City Attorney RFP Update

Mr. Lambert reported that proposals have been received from several attorneys in the area and he distributed packets to each Councilmember for their review. He stated that he planned for the City Attorney proposal to take effect October 1, 2007; therefore, he proposed that the Council consider dates in June or July for interviews. He noted that the costs for the services in the proposals ranged from \$2700 - \$5200 per month, but that the proposals were negotiable.

Mr. Lambert presented a plaque to the Mayor and Council from the American Backflow Prevention Association, San Antonio Chapter, in appreciation for the use of the Conference Center.

Mr. Lambert announced that he felt that the Economic Development and the Community Development Departments should work hand-in-hand; therefore, he announced that the

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Economic Development Department will now be under the Community Development Department to provide the best customer service.

Citizens to be heard.

None.

Announcements by Councilmembers and Mayor.

Councilmember Maloy asked if in next month's monthly finance reports, could the expenses and revenue from the Conference Center and Community Center could be broken out.

Councilmember Rangel thanked Nita Lange and Crystal Caldera for their reports and reported that the Community Events Committee was working on the July 4th Parade plans.

City Secretary Feutz reminded everyone about the days and hours of early voting by personal appearance and announced that a training session would be conducted on April 25, 2007 for the Election Judge and Clerks. She also announced that Meet the Candidates Forum, to be hosted by the League of Women Voters, would be held at the Conference Center on April 30th at 6:30 p.m.

Mayor Riley announced that the City Engineer had delivered charts to the Conference Room to highlight signage proposed by TXDOT for Bandera Road and was looking for comments on those proposed signs. She also announced that the Loop 410/Bandera Road project is expected to last for another two years. She thanked Council, the City Secretary and staff who participated in making the April 17, 2007 Volunteer Appreciation Reception a success.

Mayor Riley also informed Council and the audience that City of San Antonio's Councilwoman Guajardo had met with her to discuss a plan to work together for a regional park venture of more than ten acres in the Shadow Mist area. She stated that the project was scheduled to be brought before the City of San Antonio's Planning Commission on August 25th and to the City of San Antonio's City Council on May 10th.

Mayor Riley also announced that she would be meeting with members from the Environmental Protection Agency the next day for an update on the Bandera Road water contamination plume.

Adjourn.

After asking if there was any other business or comments, a motion was made by Councilman Reyna, seconded by Councilmember Dean, to adjourn the meeting. Mayor Riley announced the meeting adjourned at 9:50 p.m.

ATTEST:

Marie Feutz

City Secretary

Chris Riley

Mayor

Approved by majority vote by Leon Valley City Council at the May 1, 2007 City Council Meeting.